

**WASHINGTON, D.C.** – Congresswoman Loretta Sanchez (CA-47), a member of the bipartisan Joint Economic Committee, today voted to extend middle-class tax cuts that will spur economic growth in Orange County and across the country. The Middle Class Tax Relief Act of 2010, an amendment to the Senate amendment to H.R. 4853, would extend tax cuts for millions of families and small businesses without the deficit-busting baggage of new tax cuts for the wealthiest Americans. Unless Congress acts, tax cuts for middle class families will expire on January 1.

“Extending these tax cuts will save middle-class families in my community nearly \$1,000 per year,” said Rep. Sanchez. “That kind of money matters when you’re struggling with a tough economy. The fact that Republicans would hold these tax cuts hostage for 97% of small businesses and working families really shows how out-of-touch they are with the American public.”

Under the Middle Class Tax Relief Act, 97% of American families and small businesses will get tax cuts of \$1.5 trillion over 10 years. For all families making less than \$250,000 a year, the bill permanently extends the 2001/2003 tax cuts, including current tax rates, marriage penalty relief (including the Earned Income Tax Credit), capital gains and dividend rates, and \$1,000 child tax credit for earnings above \$3,000. The bill also protects more than 25 million taxpayers from the alternative minimum tax by extending the alternative minimum tax (AMT) patch through 2011 and permanently extends small business expensing.

The bill also allows the fiscally irresponsible, Bush-era tax cuts for the wealthiest 3% of Americans to expire. If extended, these budget-busting tax cuts would saddle our children with more than \$700 billion in debt, nearly 80 percent of which would be used to provide millionaires and billionaires with an average bonus tax cut of \$100,000 a year (Joint Committee on Taxation, 8/10/10). Economists say extending these cuts is the wrong way to strengthen the economy and create jobs, especially at a time when the U.S. debt exceeds \$13 trillion.